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AGRICULTURAL COOPERATION

July 13, 1929

Vol. VII, No. 14.

BIG BUSINESS BY DAIRY COOPERATIVES

Nearly 42 per cent of the \$640,000,000 received in 1928 by farmers' associations concerned with the marketing of dairy products, came from the sale of fluid milk. About 41 per cent of the total amount came from the sale of butter, and nearly 5 per cent from the sale of cheese. Cream sales account for more than 7 per cent of the total.

Returns from the sale of milk powder, ice cream and skim milk, each amounted to less than one per cent, as did also the sale of farm supplies to the members of the 2,500 active dairy marketing associations.

The approximate figures representing sales for the different dairy products handled by the cooperative associations in 1928 are as follows: fluid milk, \$269,000,000; butter, \$262,000,000; cream, \$46,000,000; cheese, \$30,000,000; milk powder, \$5,000,000; ice cream, \$4,000,000; skim milk, \$2,000,000. Miscellaneous dairy products sold for about \$14,000,000. Supplies sold to farmers were valued at \$5,000,000, and income from miscellaneous sources amounted to about \$3,000,000.

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION
COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING
BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE
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CONTENTS

Dairy products:	<u>Page</u>
Big business by dairy cooperatives.....	275
Big attendance at dairymen's annual meeting (N.Y.).....	277
Kansas farmers receive creamery dividends.....	278
Milk association reduces its deficit (Pa.).....	278
English creamery sells to another cooperative.....	278
Forty-three years' service by Wisconsin creamery.....	279
Livestock:	
Ohio association ships much livestock.....	279
Texas has a seventeen-year-old livestock co-op.....	280
Terminal livestock marketing in Canada.....	280
Grain:	
Minnesota elevator has lengthy record.....	281
Manitoba wheat pool legislation.....	281
Saskatchewan delegates vote against compulsory pool.....	282
Kansas association continues progress.....	282
Equity association operates elevator and oil station (Mont).....	283
Grain elevators for Kansas wheat pool.....	283
High prorations to Oklahoma growers.....	283
Iowa company reports ten successful years.....	284
Increased business by South Dakota cooperative.....	284
Poultry products:	
Cooperative egg marketing starts in Florida.....	285
Everybody helped make poultry sales a success (Ala.).....	286
Poultry and egg marketing in Manitoba.....	286
Cotton:	
Unprecedented shipment of co-op cotton (Tex.).....	287
Cotton association holds many field meetings (La.).....	287
Wool:	
Refunds to Missouri wool growers.....	288
More liberal contract for wool growers (Oreg.).....	288
Purchasing:	
Virginia farmers buying cooperatively.....	289
Buying association in New England (N. H.).....	289
Legal:	
Recovery allowed on surety bond (Kans.).....	290
Miscellaneous:	
Reported by the associations.....	291
Selected list of publications and articles.....	292

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BIG ATTENDANCE AT DAIRYMEN'S ANNUAL MEETING

More League women and more League men than ever before attended the annual meeting of the Dairymen's League Cooperative Association, Inc., at Syracuse, N. Y., June 20, 1929. The management estimates the number of League women present at more than one thousand. The annual report of the president of the organization and the addresses of several of the guest speakers were broadcast through a chain of stations covering the territory served by the League.

One of the features of the big gathering was the annual meeting of the home department. The several sessions were attended by about one thousand associate delegates. The program included community singing, reports from 34 sub-district organizations, and several inspirational addresses. Reports showed that approximately 175,000 persons were reached during the year through the health educational program conducted largely by the women members of the organization. The number of counties organized for home department work increased from 23 to 53, with 501 associate women delegates.

The treasurer's annual report for the year ending March 31, 1929, showed gross sales amounting to \$85,741,658 and net sales of \$81,886,434. Total expenses of the League were \$14,866,642, and miscellaneous income amounted to \$423,963. After all charges and deductions were made for the 1928-29 season, \$62,787,966 remained as the amount distributable to members.

Two hundred forty milk plants were operated during the season. The engineering department handled all the repair work connected with these plants, as well as building 10 new plants and remodeling 14 others which the League took over during the year. Divisional sales offices established in various large consuming centers outside of New York City resulted in increased returns to producers for milk in those markets ranging from one-half cent to four cents a quart.

Business of the purchasing department increased 34 per cent over the previous year. Through this department the individual members may purchase their cans, pails and other equipment. The department also handles the big orders arising from the establishment of new plants, and passes on to members information regarding plant operations and standard and simplified practices.

A resolution adopted by the delegates at the meeting pledged increased milk production during the fall and winter months for the 43,000 participating members represented. The delegates also voted to continue the present policy of financing in the matter of providing marketing facilities and in meeting marketing costs.

KANSAS FARMERS RECEIVE CREAMERY DIVIDENDS

During June the Farmers' Union Creamery Company, Superior, Nebr., distributed patronage refunds to the amount of \$28.617 to Kansas producers. All patrons who owned a share of stock in the company received checks covering the full amount of the dividends due them, while those who had no stock received one share for the first \$10 due and the remainder in a check. Others whose refunds amounted to less than \$10 were credited on the books with the amount due in part payment for one share. The creamery also paid a dividend of one cent per pound on condensed butter-milk sold to stockholders.

At points where there was a local organization the checks were distributed through that organization, at other points the checks went direct to the patrons.

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MILK ASSOCIATION REDUCES ITS DEFICIT

More than 225 members of the Dairymen's Cooperative Sales Company, Pittsburgh, Pa., attended the meeting of the advisory council, held at Youngstown, Ohio, June 7. Practically all the locals were represented. Reports indicated that the association was in better financial shape than it had been in a long time. During the three months since the March meeting the receipts exceeded the expenditures by \$6,968 and the deficit was reduced from \$19,000 to \$6,518. The period has also been one of gains in membership, 232 names have been added since the first of March, and the number of stockholders now stands at 19,104 with outstanding share capital to the amount of \$51,572.

At the request of the membership the company has engaged a field-man who will be at the service of the locals when needed.

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ENGLISH CREAMERY SELLS TO ANOTHER COOPERATIVE

An English society known as the Cambridgeshire Farmers' Cooperative Creamery, Limited, which had made an unsuccessful attempt to sell milk cooperatively, recently passed into possession of the London Cooperative Society, Limited. The latter organization attempts to keep in direct touch with the farmers and give them fair play and also to look out for the interests of consumers. It took over the entire staff of the creamery as well as the buildings and equipment, and the creamery patrons are continuing to deliver their milk as heretofore. About 70 Cambridgeshire farmers are sending 10,000 gallons of milk per week to the creamery.

The London Cooperative Society aims to provide cooperative milk, cooperatively handled through every step of the way from producer to consumer, and the farmers of Cambridgeshire are showing great interest in this new development.

FORTY-THREE YEARS SERVICE BY WISCONSIN CREAMERY

The Ettrick Creamery Company, Ettrick, Wis., celebrated its forty-third anniversary with the report for the year ending December 31, 1928. Organized in 1885, it has increased its output of dairy products year by year. Total receipts for 1928 amounted to \$293,570. Of this, \$289,479 came from the sale of butter; \$1,805 was received for butter-milk; and supply sales amounted to \$1,485. The quantity of butter made during the year was 629,587 pounds, compared with 625,024 pounds in the 1927 year, and 650,097 pounds in 1926.

Figures showing the business transacted since 1921 are given below:

1921	\$225,000	1925	\$277,973
1922	195,000	1926	270,109
1923	226,589	1927	283,172
1924	230,045	1928	293,570

The association was reorganized and incorporated in 1907.

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OHIO ASSOCIATION SHIPS MUCH LIVESTOCK

The Fulton Livestock Cooperative Association, Wauseon, Ohio, a local of the Ohio Live Stock Shipping Association, reports livestock with a gross value of \$41,462 marketed during the year 1928. Terminal expense amounted to \$2,333, and home expense, \$704, including \$410 for manager's commission, and \$205 for insurance. This left \$39,261 to be distributed. The net amount paid shippers was \$33,520, 92 per cent of the gross sales.

Figures showing the shipments for the past four years are given below:

Year	Number of shippers	Livestock shipped					Shipping point value
		Cattle	Calves	Hogs	Sheep	Total	
1925	706	430	351	3,250	408	4,439	\$111,052
1926	300	74	139	1,538	1,227	2,978	81,668
1927	133	23	51	1,139	430	1,643	32,903
1928	165	58	55	1,618	317	2,033	39,261

This association was first organized in 1921, and in 1924 it was reorganized under the cooperative marketing law of Ohio. The membership at present is approximately 300.

TEXAS HAS A SEVENTEEN-YEAR-OLD LIVESTOCK CO-OP

Texas has a livestock cooperative which has stood the test of 16 years. The organization is the Cisco Livestock Shippers' Association, formed in 1912. When it began making cooperative shipments 17 years ago it had 12 members; now it has more than 300.

The association holds a meeting on the first Saturday afternoon of each month and ships stock one week from the following Tuesday, allowing 10 days for securing cars, assembling the stock, and making all arrangements. Expenses of each shipment are prorated among the shippers. The business in 1926 amounted to about \$65,000; in 1927, \$40,000; and in 1928, over \$60,000.

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TERMINAL LIVESTOCK MARKETING IN CANADA

During the month of May, 22.5 per cent of all the livestock received at the Union Stock Yards, St. Boniface, Canada, was handled by the Central Livestock Cooperative, Ltd., Winnipeg. This association has been operating for seventeen months and has received during that time from the Provinces of Manitoba, Saskatchewan, and Alberta, 2,930 cars of livestock, a total of 170,239 animals valued at \$5,111,966. These included 52,696 cattle, 102,056 hogs and 15,487 sheep. Fifty and six tenths per cent of the cattle, 49.6 per cent of the hogs and 71.0 per cent of the sheep came from Manitoba; 47.2 per cent of the cattle, 50.0 per cent of the hogs, and 21.1 per cent of the sheep came from Saskatchewan; while Alberta contributed 2.2 per cent of the cattle, 0.4 per cent of the hogs and 7.9 per cent of the sheep.

In addition to the 2,930 cars of livestock received from the three provinces, the association shipped through its order-buying department, from September 1, 1928, to May 31, 1929, 176 cars of livestock containing 1,651 cattle, 9,502 hogs, and 941 sheep valued at \$308,668. A feeder and stocker division has been created by the sales agency.

Figures indicating the volume of business since this cooperative was established are as follows:

Period ending May 31	Cars	Cattle	Hogs	Sheep	Total animals	Value
1928 *	444	6,433	23,598	139	30,170	\$ 725,029
1929 #	2,486	46,263	78,458	15,348	140,069	4,386,937

* January 1 to May 31, 5 months.

One year.

MINNESOTA ELEVATOR HAS LENGTHY RECORD

The Mountain Lake Farmers' Elevator Company, Mountain Lake, Minn., has operated continuously for many years. It was organized in 1902 as a capital stock company with stock dividends limited to 8 per cent. In addition to handling grain the company buys coal, flour, twine, seeds, etc., for its patrons. All the shareholders are farmers.

During the 1928-29 season the total business amounted to \$206,308, with gross earnings of more than \$10,000. After deducting expenses and paying an 8 per cent dividend on share capital, there was a net balance of \$939.

Sales of flax brought the largest revenue. The 25,840 bushels sold for \$50,307. The association also handled 54,000 bushels of corn and 2,222 tons of coal.

Sales in some of the other years have been as follows: 1913, \$150,000; 1914, \$95,000; 1916, \$75,000; 1917, \$140,000; 1922, \$150,756; 1923, \$300,000; 1924, \$476,156; 1925, \$281,341; 1928, \$202,106.¹

The company has 154 members and nearly 400 patrons.

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MANITOBA WHEAT POOL LEGISLATION

A consular report from Winnipeg contains a summary of the act passed May 17, 1929, by the Manitoba legislature, amending the act under which the Manitoba Cooperative Wheat Producers, Ltd., was formed. Some of the changes were as follows: The name of the organization was changed to Manitoba Wheat Pool, with a provision that the company should have neither capital stock nor shareholders, the outstanding shares of stock becoming memberships, and any person signing a marketing contract becoming a member of the Pool. The company was empowered to guarantee the performance of contracts and payment of debts of the Canadian Cooperative Wheat Producers, Ltd., and other companies with which it may have business relations. Marketing contracts may be for any definite or indefinite term. Grain is to be sold in the manner provided by such contract, with certain provisions regarding liens and mortgages. Directors may cancel the membership of an individual under certain circumstances, but such member shall not thereby lose his financial interest in the elevator or commercial reserves of the company. The act further provides that the directors' report shall be made binding and conclusive on all members of the company one year after it has been adopted at a general meeting of the company. Questions arising between the company and its members must be settled by arbitration under "The Arbitration Act" but this does not preclude the company bringing suit in any court against a member.

SASKATCHEWAN DELEGATES VOTE AGAINST COMPULSORY POOL

All but five of the 160 delegates attended the semiannual meeting of the Saskatchewan Cooperative Wheat Producers, Ltd., Regina, which began on June 18 and continued one week. One important matter which came up for consideration was a proposal to make the pooling of wheat compulsory. The delegates rejected the proposal by a substantial majority, as it was their opinion that this should not be accomplished through legislation.

Although the crop year 1928-29 is not yet ended, the directors reported that the wheat handled by the Saskatchewan Pool would total approximately 158,000,000 bushels, while the coarse grains would total about 17,000 bushels. Figures for wheat handled previously by the Saskatchewan Producers are approximately as follows: 1924-25, 50,000,000 bushels; 1925-26, 129,000,000; 1926-27, 119,000,000; 1927-28, 127,000,000 bushels.

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KANSAS ASSOCIATION CONTINUES PROGRESS

Sales of \$585,787 are reported by the St. Francis Mercantile Equity Exchange, St. Francis, Kans. for the year ending April 30, 1929. Gross earnings for the year were \$32,459. The total number of cars shipped was 370, as compared with 109 the previous year. The 370 cars were made up as follows: corn, 260 cars; livestock, 54; barley, 49; wheat, 6; and oats, 1. One hundred cars of supplies were bought, of which 61 were coal.

Of the total business handled, 69 per cent was with members, and 31 per cent with nonmembers.

The activities for the past eight years are shown by the following figures:

Season	Shipments			Supplies purchased	Total sales	Net earnings
	Grain (Cars)	Livestock (Cars)	Total (Cars)			
1921-22	207	109	316	69	\$450,930	\$21,163
1922-23	237	104	341	111	507,872	22,941
1923-24	265	101	366	80	400,831	10,712
1924-25	* 320	116	436	111	743,652	34,329
1925-26	404	99	503	140	1,264,312	33,155
1926-27	111	113	224	164	630,070	7,604
1927-28	64	45	109	64	-----	-----
1928-29	316	54	370	100	585,787	23,396

* Including 5 cars of hay.

This association was organized in 1913 by 60 farmers. The membership is now 344. Nine new stockholders were added the past year.

EQUITY ASSOCIATION OPERATES ELEVATOR AND OIL STATION

The two lines of activity of the Equity Cooperative Association of Phillips County, Malta, Mont., the elevator business and the oil station, together had net earnings of \$54,751 for the year ending May 31, 1929. About 80 per cent of the gross earnings of the elevator department were made on wheat; flax, oats and rye contributed about 9 per cent; and the remainder came from the sale of supplies, including coal, feed, flour, and twine. Gross earnings were \$54,857 for the elevator, and expense of operation was \$18,995. The oil station had gross earnings of \$23,269 and expenses amounted to \$4,381, giving net earnings of \$18,888.

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GRAIN ELEVATORS FOR KANSAS WHEAT POOL

Four elevators owned and operated by the Trego County Cooperative Association, Wakeeney, Kans., have been purchased by the Kansas Wheat Pool Cooperative Elevator Association, Wichita, Kans. These elevators are located at Wakeeney, Ogallah, Collyer and Voda, Kans. Many of the stockholders of the Trego association are interested in the Kansas Cooperative Wheat Marketing Association, and voted recently to support the elevator program of the wheat pool by the sale of the local elevators to the marketing organization.

The Kansas Pool Elevators, as the Kansas Wheat Pool Cooperative Elevator Association is commonly known, has bought elevators at other points and is building elevators of 30,000-bushel capacity at two stations not now adequately supplied with elevator service.

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HIGH PRORATIONS TO OKLAHOMA GROWERS

Unusually high patronage refunds were reported by the Hooker Equity Exchange, Hooker, Okla., for the year ending May 31, 1929. One patron received \$439; two others received more than \$300 each; ten received more than \$200; seventeen, more than \$100; and ten ranged from \$80 to \$100.

Total sales for the year amounted to \$279,445, 79 per cent of which came from members' business. Net earnings for the year were \$11,720, of this, \$1,091 was paid to shareholders as 5 per cent interest on their stock; \$8,807 was distributed as a 4 per cent patronage dividend; and after charging off lesser sums for depreciation on buildings and equipment, there still remained undivided earnings of \$917. Paid-in capital stock amounted to \$22,225; stockholders' reserve, \$3,524; and the net worth at the close of the year was \$26,962. Gross earnings on wheat are reported as \$15,133, and on milo maize, \$1,547.

IOWA COMPANY REPORTS TEN SUCCESSFUL YEARS

Ringsted, Iowa, has a farmers' elevator company called the Farmers' Grain and Product Company which has been especially successful during the last ten years and has won the loyal support of many farmers in the territory. The company was formed in 1911 and handles many lines of merchandise in addition to its grain business.

In the last ten years the company has handled 7,927,350 bushels of grain, and merchandise to the value of \$1,125,239; it has invested more than \$37,000 in buildings and equipment; and paid dividends to the amount of \$65,000, of which \$49,700 was paid in cash and the remainder in stock. During the same period the share capital has increased from \$5,600 to \$28,600; and the net worth from \$16,370 to \$65,240. The investments in buildings included the following: local elevator purchased, \$11,500; feed warehouse built, \$4,800; new roofs, siding, foundations, machinery, etc., \$5,000; new office building, \$3,000; new feed mill, \$10,000; new machine building, \$3,000.

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INCREASED BUSINESS BY SOUTH DAKOTA COOPERATIVE

Sales of farm products by the Farmers' Cooperative Elevator Company, Dimock, S. Dak., show a big increase. In 1915 total sales amounted to \$155,000, while for the season just past, products to the value of \$470,937 were marketed. This association was organized in 1900 and in 1914 had a membership of 162; in 1928 there were 290 members. It is engaged in selling wheat, corn, oats, barley, rye, flax, and hogs, and in buying coal, feed, flour, twine, cement, tile, fencing, and seed for its producer members.

At the close of the fiscal year, May 31, 1929, the company owned property to the value of \$9,686, it had paid-up capital stock to the amount of \$11,475, and a net worth of \$38,780. Dividends on capital stock are limited to 8 per cent.

During the past three seasons 494,587 bushels of grain were marketed with a sales value of \$356,675, and \$759,845 worth of hogs were shipped. The total sales for these three seasons are given below:

Marketing season	Grain Sold		Hogs shipped		Miscellaneous sales	Total sales
	Bushels	Value	Number	Value		
1926-27	79,398	\$48,543	-----	\$285,711	\$33,203	\$367,458
1927-28	153,308	114,095	10,293	197,234	35,437	346,767
1928-29	261,881	194,037	11,634	276,900	39,241	510,178

COOPERATIVE EGG MARKETING STARTS IN FLORIDA

Cooperative egg marketing is gaining a foothold in Florida. The Central Florida Poultry Producers' Cooperative Association, Orlando, was organized in March of this year, and meetings are being held for the formation of the Florida West Coast Poultry Producers' Cooperative Association, Tampa, Fla., which will operate over six counties. Furthermore, plans have been matured for the organization of the Polk County Poultry Producers' Cooperative Association.

The Central Florida Association is serving about 500 producers in six counties, with about 200,000 hens and pullets. Approximately 500 cases of eggs a week are being handled. The association sends trucks out to collect the eggs, which are delivered at the central packing house in Orlando at a charge to the producer of one cent a case. The eggs are candled, graded as to size, and packed under three brand names, Florida No. 1, standards, and selects. The selects are marketed in cartons. Producers are charged three cents a dozen for the packing house and marketing service.

All eggs are handled in weekly pools, closing Tuesday nights. The output of the association is sold to shippers and wholesale distributors.

The association is financed by capital loaned by members at the rate of 10 cents a bird, 6 per cent interest being paid on the loans.

A marketing agreement is signed by members, according to which the member sells the eggs to the association and the association agrees to candle, grade, pack, and market the eggs and to pay the producer the resale price less the cost of operating the association.

The agreement runs to the fifteenth day of February, 1930, and then continues from year to year unless a member gives written notice to the association, 30 days prior to an annual meeting, of his desire to withdraw.

The management of the central association rests in a board of directors selected by the poultry producers in the various counties, who employ the men directly responsible for the successful operation of the receiving and packing plant and for the satisfactory sale of the eggs delivered to the association for marketing.

It is proposed that as soon as the Florida West Coast Poultry Producers' Cooperative Association is operating, a joint sales agency be set up to serve both the Central and West Coast associations. This sales agency will be incorporated under the name of Florida Egg Producers' Cooperative Association. Each local association will own and operate its own packing house, delegating to the central organization the selling of the eggs.

EVERYBODY HELPED MAKE POULTRY SALES A SUCCESS

Latest reports from the cooperative poultry sales in Alabama show that 34,000 farmers have sold 1,366,972 pounds of poultry in the last five months, and have received for this poultry the sum of \$347,383. One of the marketing specialists who assisted in conducting the sales estimates that by marketing their poultry cooperatively the producers received \$68,248 more than they would have received if they had sold under the former system.

The success of these poultry sales is attributed to the fact that so many persons were interested and helped to carry out the project. While the Alabama Farm Bureau planned and conducted the sales, the extension poultry specialist told the growers how to feed, cull, house, and provide for their flocks; and the marketing specialists, county agents, home demonstration agents, district agents, and others, assisted in various ways.

The poultry came from 42 counties. Franklin County had the most, 103,318 pounds; Covington County farmers loaded 79,877 pounds; Baldwin County, 75,536 pounds; Houston County, 70,825 pounds; Canecuh County, 65,153 pounds; and six other counties had more than 50,000 pounds each.

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POULTRY AND EGG MARKETING IN MANITOBA

The first year of operation of the Manitoba Cooperative Poultry Marketing Association, Ltd., Winnipeg, 1922, seven local groups in the southwestern corner of the province shipped five car loads of dressed poultry, valued at \$39,000. Two years later an egg station was established at Lauder and eleven cars of eggs were shipped. Since then, live and dressed poultry and eggs have been shipped in increasing quantities each year, as shown by the following figures:

Year	Live poultry (Cars)	Dressed poultry (Cars)	Eggs (Cars)
1922	—	5	—
1923	3	30	—
1924	2	19	11
1925	9	40	48
1926	7	55	103
1927	—	62	112
1928	10	72	135

The organization now has a membership of 12,044. Its president has recently resigned to become the first president and managing editor of the Canadian Poultry Pool, Ltd.

UNPRECEDENTED SHIPMENT OF CO-OP COTTON

Ten train loads of cooperative cotton, 60 cars to the train, recently moved out of Houston, Tex., one train each day for ten consecutive days. Houston is one of the largest spot cotton markets and trains loaded with bales of cotton are not unusual, however, such trains are generally made up of many shipments going to many points. The unusual feature of this shipment was that it was all cooperative cotton shipped by the Oklahoma Cotton Growers' Association direct to one buyer, a large cotton mill company in North Carolina. The ten trains carried more than 30,000 bales of cotton.

Representatives of the Oklahoma association give much credit to the members who have delivered about one-third of the crop of the state to the association this year. Without their heavy deliveries the association would not have been in a position to make such a large sale and shipment to the mills.

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COTTON ASSOCIATION HOLDS MANY FIELD MEETINGS

Throughout the month of June officials of the Louisiana Farm Bureau Cotton Association, Shreveport, and the Farm Bureau Federation, Baton Rouge, conducted a large number of meetings throughout the state, generally holding a meeting at one point in the morning and at another point in the afternoon. Members of the organizations manifested their interest by attending the meetings in large numbers.

A representative of the cotton association outlined the plans which are expected to save some \$20,000 annually for the members, and also to improve the service. Among other changes the administrative office of the cotton association is to be removed from Shreveport and consolidated with the sales office at New Orleans; cotton will be sold through the New Orleans office of the American Cotton Growers' Exchange; the personnel and overhead expenses will be reduced to a minimum; and closer contact will be established between departments. Another official told of the development and activities of the purchasing department during the past seven years.

A feature of special interest was a demonstration of grading and stapling cotton by the licensed grader who does this work for the Louisiana association. In addition to the demonstration this speaker explained the importance of producing the kind of cotton the market demands, and told how low grade and extremely short staple always sold at a disadvantage. He further explained how selection of better seed and more care in harvesting helped to overcome these difficulties, using samples of lint of the universal standards to illustrate his talk.

REFUNDS TO MISSOURI WOOL GROWERS

Checks for \$30,000 were mailed to members of the Linn County Sheep and Wool Growers' Association, Linneus, Mo., recently. The association marketed practically the entire clip of the county. 86,000 pounds from 12,000 head of sheep. The bulk of the wools sold for 38-1/3 cents a pound. The average price for all the merchantable grades was 36.16 cents a pound, while the burry wool brought 32.5 cents, making the average for all grades including tags and pieces, more than 35 cents. This association serves about one hundred wool growers.

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MORE LIBERAL CONTRACT FOR WOOL GROWERS

The two-year marketing agreement of the Pacific Cooperative Wool Growers, Portland, Oreg., has given way to a one-year agreement. A careful study of the situation and conferences with State marketing specialists, convinced the directors of the advisability of adopting a more liberal plan, especially as yearly contracts have been found advantageous by associations handling cotton, fruit, and other products.

When the Pacific Cooperative Wool Producers began business in 1921 the marketing contract was for five years without withdrawal privileges. At the expiration of the first five years the association adopted a new continuing agreement which provided that after delivery of two years' clips a member might withdraw any year by giving notice during the month of September. This contract has been in force four years and about 85 per cent of the members are now entitled to withdraw during any year.

The new contract is also of the continuing type and the directors believe that the possibility of withdrawing during any year will remove an objection to joining the association. Country bankers have expressed their approval of the more liberal policy which places the association on an equal footing with buyers who are soliciting wools on a yearly basis.

Five hundred new members have come into the association since the first of the year, bringing the total membership at present to 3,500. The association sells its wool direct to mills through its own sales offices in Boston, Philadelphia, Portland, and San Francisco.

VIRGINIA FARMERS BUYING COOPERATIVELY

Cooperative purchasing is gaining in popularity in Virginia. Last season, in the period between February 20 and November 1, the Fruit Growers' Cooperative Corporation of Crozet handled 82 car loads of supplies worth \$78,000. and the purchasing agent states that growers are patronizing their warehouse from a distance of 50 miles. Within a year the membership has increased from 74 to 153. The purchasing agent gives the following as essentials for success: "Keep everyone in a good humor; give prompt and constant service: have the right article at the right place, always showing a saving."

Another Virginia organization is the Northern Neck Cooperative Exchange, an outgrowth of the local farm bureau. It was organized two or three years ago to purchase fertilizer, lime and twine for its members. Last year its business amounted to \$17,000 and in the first four months of this year it has handled 300 tons of fertilizer and 550 tons of lime.

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BUYING ASSOCIATION IN NEW ENGLAND

Engaged in buying feeds, seeds, fertilizer, and spray materials for its 1,100 members, the Merrimack Farmers' Exchange, Inc., Concord, N. H., has been operating since September, 1920. The exchange now has branches at New Boston, Goffstown, Derry, Epping, Exeter, and Manchester, N. H., and served 4,000 patrons last year.

The total fixed assets for the year ending May 31, 1929, were \$94,096 and included land, buildings, machinery, tools, delivery trucks, automobiles, and office furniture and fixtures. Fixed liabilities amounted to \$40,500; there was capital stock of \$204,525; and the net worth was \$231,530.

Additions to surplus each year are limited to 25 per cent of the paid-in-capital. Earnings in excess of 25 per cent are distributed as patronage refunds. The net sales for last year amounted to \$1,358,131; gross earnings amounted to \$140,495; selling and administrative expenses were \$133,097; other expenses were \$5,918; leaving earnings of \$1,479, which were credited to the surplus account. The surplus account on May 31 of each year since 1926, after additions have been made, shows the following balances: 1926, \$10,409; 1927, \$20,727; 1928, \$37,916; and 1929, \$27,004.

Net sales for the 1925-26 year amounted to \$1,180,831; for 1926-27, \$1,265,202; and for 1927-28, \$1,411,440. For the 1928-29 year the Concord branch contributed \$791,159 toward the gross amount of supplies sold; the gross sales of the Derry branch were \$103,669; of Goffstown, \$83,618; of New Boston, \$100,449; Epping, \$87,621; Exeter, \$96,105; and Manchester, \$100,719.

RECOVERY ALLOWED ON SURETY BOND

The case of the Garden Plain Farmers' Elevator Company et al. v. Kansas Wheat Growers' Association et al., 276 Pac. 799, was decided by the Supreme Court of Kansas on May 4, last. The question involved in the litigation was the right of the elevator company to recover costs and expenses incident to procuring a dissolution of a restraining order which had been obtained by the association in a previous action it had brought for the purpose of restraining the elevator company from purchasing wheat from any of the members of the association and for which the association gave bond in the sum of \$500 as surety.

The restraining order was subsequently set aside and the action dismissed. The elevator company then brought this suit on the bond against the association and the surety and recovered judgment for the full amount of the bond. The lower court decided in favor of the elevator company and the association appealed.

The elevator company contended that by reason of the issuance of the restraining order it was obliged to lose considerable time and was put to a great deal of inconvenience and expense in defending itself, in answer to which the association urged that, since the company did not allege or prove any damage except that connected with its efforts to obtain a dissolution of the restraining order, it was not entitled to recover judgment on the bond.

The elevator company was engaged in the purchase of wheat and had a right to purchase wheat from any one who had a right to sell such product. The court pointed out that there is nothing in the statute prohibiting one person from buying wheat from another who is a member of an association formed under the statute, and stated further, that while, as between a member and the association, the member would not have the right to sell to a third person, the right did not go to the extent of prohibiting third persons from purchasing wheat from members.

In affirming the decision of the lower court, the court said:

There is no principle of law that prohibits an elevator company from purchasing wheat from a member of the wheat growers' association where the company does not know that the seller is selling wheat that he had contracted to sell to the association.

This case will be differentiated from those in which the particular statute involved prohibits any person from knowingly inducing or attempting to induce a member to violate his contract with the association. Cases of interest on this subject include: Northern Wisconsin Tobacco Pool v. Bekhedal, 182 Wis. 571; 197 N. W. 936; (Agricultural Cooperation, Dec. 3, 1923), Liberty Warehouse Co. v. Burley Tobacco Growers Cooperative Marketing Assn., 208 Ky. 643, 271 S.W. 695, (Agricultural Cooperation, June 22, 1925; March 3, 1928).

REPORTED BY THE ASSOCIATIONS

The Maryland Tobacco Growers' Association, Baltimore, is urging its members to ship both wool and wheat to their association which is developing a marketing service for products other than tobacco.

A pamphlet entitled "Le Credit Agricole Cooperatif en Tchecoslovaquie," (Agricultural Cooperative Credit in Czechoslovakia) by Professor S. Borodaewsky, has recently been published in Paris. The 22 pages contain a history of the credit societies in Czechoslovakia.

A report of the field and test department of the Inter-State Milk Producers' Association, Philadelphia, Pa., for the month of April, 1929, shows that 6,985 tests were made, 40 plants inspected, 280 membership calls made, and 110 new members signed up.

Livestock market news was broadcast over WAIU by the Central Ohio Livestock Cooperative Association, Columbus, for the first time May 29. Now a regular schedule is maintained and markets are given twice daily, just after noon and shortly after 4:00 o'clock in the afternoon.

Alabama farmers have purchased 84,991 tons of fertilizer this year through the Alabama Farm Bureau Mutual Supply Association, Montgomery. Since 1923 the association has handled the following quantities of fertilizers: 1923, 39,000 tons; 1924, 68,000 tons; 1925, 81,783; 1926, 73,215; 1927, 38,379; 1928, 101,619.

During the first five months of operation the Manitoba Fish Pool handled one-third of the fish output of Manitoba. Nearly 500 fishing outfits, representing about 1,000 fishermen, have contracted to deliver their catches to the association for marketing for five years. About 10,000,000 pounds of fish are marketed annually.

Lamb and wool producers of the Black Belt of Alabama received returns of \$24,396 as a result of cooperative sales made during the last two weeks in May. They marketed 2,524 lambs and 32,893 pounds of wool. Fifty per cent of the lambs were tops, and much of the wool graded clear. These sales were conducted by the Alabama Farm Bureau Federation and the Alabama Extension Service, with county agents assisting.

To June 1, 1929, the Staple Cotton Cooperative Association, Greenwood, Miss., had received 231,688 bales of 1928 cotton, which was 50,593 bales more than the average for seven years. It had sold 197,710 bales, or 54,983 bales more than the seven year average, and 35,863 bales remained unsold, including cotton carried over from previous years. The quantity unsold was 6,780 bales below the seven year average.

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- Downie, Ernest R. Pool Elevators Stir Opposition. Wheat Growers' Journal, Wichita, Kans., June 15, 1929, p. 6.
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